

# The I/Fax

Administered by Illinois State Treasurer Alexi Giannoulas



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END APRIL 2007

Call us at 1-800-346-7414

Yesterday's Rates 5/17/07

Money Market Fund

**5.089%**

Prime Fund

**5.213%**

## Public Investors' Financial Symposium May 22 & 23 Springfield, IL

The 9th Annual Public Investors' Financial Symposium will be held at the President Abraham Lincoln Hotel and Conference Center in Springfield on May 22 and 23.

The general and breakout sessions will cover a broad range of topics pertaining to the investment and management of public dollars. This year's symposium will be helpful to both new custodians of public funds, as well as those who have been serving their constituents in this capacity for several years.

The Illinois Municipal Treasurers Association (IMTA), Township Officials of Illinois (TOI), and Illinois Association of Court Clerks are offering continuing education credits for those that complete the program.

The State Treasurer's Office offers this symposium at no cost. Registration for the symposium is limited.

For more information, call The Illinois Funds at (800) 346-7414. To register online, please log on to: [www.state.il.us/treas/Education/Symposium.aspx](http://www.state.il.us/treas/Education/Symposium.aspx).

## MARKET PERSPECTIVE

### Economic Outlook

The Gross Domestic Product, a measure of our economy's output, is slowing to a tepid pace and according to economists the likely cause of the moderations is the "sub-prime" mortgage market. This sector of the mortgage market has adversely affected the entire housing market which has generally affected the entire economy. Other factors adding to the discomfort include oil prices, and in our own state, electric power rates have not helped. To further confuse the economic picture, it appears that core inflation remains too high for the Federal Reserve's comfort. One

way to measure core inflation is by looking at the Consumer Price Index, excluding food and energy. The Consumer Price Index measures the change in consumer prices over a period. In essence the economy is slowing, which is a good thing, as long as it doesn't slow too much. Inflation, however, continues to remain above the 2.0% level, which is a bad thing.

Given our current economic picture, where inflation continues to persist above the Federal Reserve's comfort level, the usual medicine for a slowing economy, cutting the overnight rate target, appears to be on the sideline.

## What people are saying about E-Pay

Shortly after E-Pay was made available to Circuit Court Clerks, the Bond County Circuit Clerk's office joined the program. That was August, 2003. The E-Pay program has provided Bond County with a faster way to process traffic ticket payments by using the Internet Payment Option provided by E-Pay. In an effort to make E-Pay more advertised, I imprinted the E-Pay logo and option on our traffic envelopes. An envelope is provided to each violator when issued a traffic ticket.

The program has continued to grow over the past 2 years. Bond County saw over \$100,000.00 of traffic ticket money processed via

E-Pay in both 2005 and 2006. This money is in our hands quicker than checks and/or money orders and allows us to turn over more money at the end of each month to those agencies, including Bond County, that rely on timely processing of funds. Illinois Funds E-Pay has definitely been an asset to the Bond County Circuit Clerk's office and has shortened the time required for our office to have the money available for distribution from issuance of traffic ticket to payment.

*John K. King  
Circuit Clerk  
Bond County*



# Safety, Liquidity and Yield



Illinois Funds yields for the period ending 4/30/07

## Money Market Fund (Daily Liquidity)

Net Portfolio Assets (in millions)	\$5,528
Monthly Investment Earnings (in 1000's)	\$22,974
7 Day Yield*	5.10%
7 Day Effective Yield*	5.22%
One Month Yield*	5.16%
One Month Effective Yield*	5.28%
Net Asset Value (per share)	\$1.00
Weighted Average Maturity	2

\*Yield Net of Fees

## Prime Fund (7-day Liquidity) after 30-day minimum term

Net Portfolio Assets (in millions)	\$1,067
Monthly Investment Earnings (in 1000's)	\$4,694
7 Day Yield*	5.21%
7 Day Effective Yield*	5.33%
One Month Yield*	5.23%
One Month Effective Yield*	5.36%
Net Asset Value (per share)	\$1.00
Weighted Average Maturity	9

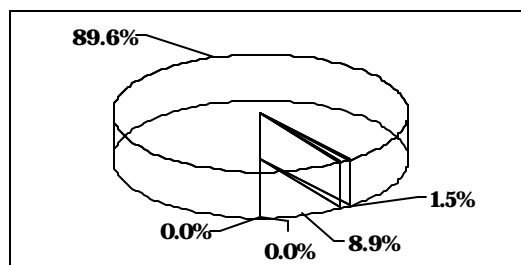
\*Yield Net of Fees

## Monthly Public Sector Rate Comparison

The Illinois Funds, MMF	5.16%	The Illinois Funds, Prime	5.23%
S&P Govt Inv Pool-Govt Fund Index	5.06%	S&P Govt Inv Pool-Taxable Funds Index	5.19%
IL School Dist Liquid Asset	4.82%	IL School Dist Liquid Asset Max	5.00%
3 Month Treasury Bill	4.99%	3 Month Treasury Bill	4.99%
6 Month Treasury Bill	5.06%	6 Month Treasury Bill	5.06%

## Monthly Private Sector Rate Comparison

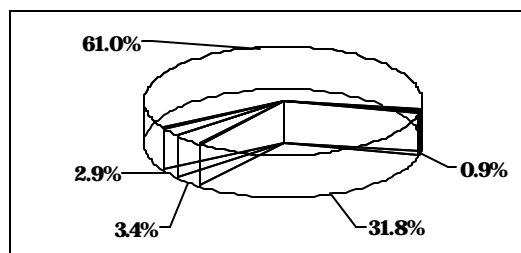
The Illinois Funds, MMF	5.16%	The Illinois Funds, Prime	5.23%
IMoneynet™ - Govt. Institutional	4.86%	Federated Govt Obligations	5.13%
Fidelity - 695 Treas Fund	5.09%	Fidelity - 57 Govt Fund	5.14%
Goldman Fin Sq Treas Fund - 468	5.07%	Goldman Fin Sq Govt Fund - 465	5.15%
30 Day Time Deposit	4.95%	90 Day Time Deposit	4.96%



## Fund Compositions

### Money Market Fund

89.6% - Repurchase Agreements  
8.9% - Money Market Funds  
1.5% - Certificates of Deposit  
0.0% - Treasury Bills  
0.0% - Treasury Notes



### Prime Fund

61.0% - Repurchase Agreements  
2.9% - Certificates of Deposit  
0.9% - US Government Agencies  
3.4% - Money Market Funds  
31.8% - Commercial Paper

## E-Pay Account Rate

5.089% 5/17/07

1-866-831-5240

[www.illinoisepay.com](http://www.illinoisepay.com)

## Rapid Revenue Acct. Rate

5.089% 5/17/07

1-800-346-7414

Visit our website at  
[www.illinoisfunds.com](http://www.illinoisfunds.com)  
for further information.